

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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October 6, 2021

The Honorable Carolyn B. Maloney
Chairwoman
Committee on Oversight and Reform

Dear Chairwoman Maloney:

On July 20, 2020, the Committee on Oversight and Reform marked up H.R. 564, your “Comprehensive Paid Family and Medical Leave Act” for federal employees and United States Postal Service workers. As Republicans emphasized at the markup, this bill is dramatically out of step with the life circumstances of most of our constituents. Private-sector employees and small business owners across the Nation continue to struggle in the wake of the lost jobs and lost businesses that the COVID-19 pandemic has left them. Your bill ignores their problems and instead lavishes exorbitant new leave benefits—three months’ worth, renewable every year—upon federal and postal workers who went through the pandemic securely ensconced in well-paying, highly protected, public-sector jobs. How much will those lavish benefits costs? Based on the Congressional Budget Office’s final estimate, reported to us last week, we expect they will cost over *\$40 billion*.

You claimed at the Committee’s markup that these new benefits would instead inflict only a minimal cost on taxpayers. In an attempt to back up your claim, you sprang upon Republicans, without prior notice, the assertion that the Congressional Budget Office (CBO) actually had assessed the costs of the proposed new benefits and found they would only cost \$53 million over the next ten years.¹

When we heard this claim, we found it impossible to believe on its face. After all, the federal workforce includes over two million workers.² Postal workers number over 600,000.³ When one does the math, that works out to a claimed average cost of just \$2 per worker each year—when workers would be entitled to up to three months’ worth of leave each and every year.

During the markup, we expressed our concerns about the purported CBO score’s completeness and comprehensiveness. As Committee Ranking Member Comer stated:

¹ H. Comm. on Oversight & Gov’t Reform, Business Meeting, Debate on H.R. 564 (July 20, 2021).

² Congressional Research Service, *Federal Workforce Statistics Sources: OPM and OMB* at 1 (June 24, 2021), online at <https://sgp.fas.org/crs/misc/R43590.pdf>.

³ United States Postal Service, *Release: Delivering for America* at 1, online at [Delivering for America: Our Vision and Ten-Year Plan \(usps.com\)](https://www.usps.com/delivering-for-america).

We have legitimate questions about the CBO score. No one on our side believes the CBO score. We have questions about . . . what was included, what was not included . . . But what's clear with the CBO score is, it does not include the cost to the Postal Service . . . We need to know what it's going to cost and the effects on the Postal Service.⁴

Government Operations Subcommittee Ranking Member Jody Hice and other Republicans were likewise in disbelief. As Rep. Hice put it: "It is impossible that this only costs \$53 million [over] 10 years . . . There's no way your numbers could be accurate."⁵

Republicans also protested the Majority's failure to share the alleged score until the middle of the markup when debate was underway. As Rep. Andy Biggs objected: "I am dismayed that I'm sitting in the middle of a hearing [and] apparently the Majority has some CBO report that the Minority didn't receive . . . I find that unacceptable."⁶ Rep. Ralph Norman likewise expressed Republicans' dismay: "To have a meeting like this and . . . just to get these facts . . . is really unacceptable."⁷ Rep. Fred Keller added to the concerns, stating:

I'm really concerned that we had a meeting here . . . where we got a report during the meeting. Usually—I don't know what the other side of the aisle does—but when information is sent out, I read it before I come to the meeting, and I think it's really disingenuous of the Chair to send out information that we didn't have, during a meeting.⁸

Republicans offered multiple motions to delay consideration of the bill in light of the abundant controversy over whether the bill's costs were being accurately portrayed. Our well-founded concerns were rejected and the bill passed on a party-line vote. You also stated that "[t]he CBO's preliminary estimate is that providing paid family and medical leave to federal employees would increase direct spending by only \$53 million over ten years," and thus that for "just \$53 million . . . the federal government can ensure that its employees will be able to take care of themselves and their loved ones without sacrificing a paycheck."⁹

In the end, we were right to doubt this claim. When the CBO delivered its final assessment of H.R. 564's costs last week, it estimated the bill would cost \$16 billion in the next five years to expand benefits for federal workers, and that it would add another \$8.5 billion to the Postal Services' costs over the next ten years.¹⁰ This is not even close to the costs you claimed during the markup debate. CBO declined to estimate the full ten-year cost of expanding federal worker's benefits. But, when one extrapolates reasonably from the estimate provided for the first

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ Congressional Budget Office, *H.R. 564, Comprehensive Paid Leave for Federal Employees Act, Cost Estimate at 3-4, 6* (Sept. 15, 2021), online at <https://www.cbo.gov/publication/57464>.

five years, the costs for the next five years could easily equal an additional \$20 billion in expenses.¹¹

Your bill thus costs at least *\$44.5 billion*. That is roughly *840 times* the cost you claimed at our markup. It is a preposterous amount of money to ask struggling private sector workers and small businesses to pay so federal and postal workers can have more luxurious benefits.

Further, the Postal Service cannot afford these proposed new costs. CBO estimates in its analysis of H.R. 564 that the Postal Service “will exhaust its borrowing authority and reserves”—i.e., *go bankrupt*—in the ten years your legislative proposal forces it to absorb these new costs.¹²

Simply put, H.R. 564 is a bill that is out of step with our constituents’ circumstances and out of touch with reality. The Committee never should have been forced through a markup of this bill without a reasonable and open understanding of the bill’s likely costs. Had all Committee Members had a more accurate understanding of the bill’s costs during our markup, it is possible that the bill never would have been approved and ordered favorably reported. We must have honest and open debate about our bills when we solemnly consider them for approval or disapproval. Members should never be misled by incorrect representations of a bill’s costs. We urge you to commit never again to allow our Committee to consider a bill on false pretenses such as those offered during debate in support of H.R. 564.

Sincerely,



James Comer
Ranking Member
Committee on Oversight and Reform



Jody Hice
Ranking Member
Subcommittee on Government
Operations



Glenn S. Grothman
Ranking Member
Subcommittee on National Security



Michael Cloud
Ranking Member
Subcommittee on Economic and
Consumer Policy

¹¹ See *id.* at 4 (Table 2).

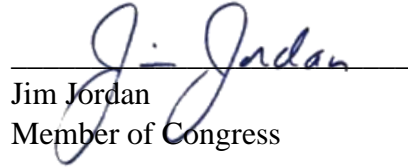
¹² *Id.* at 6.



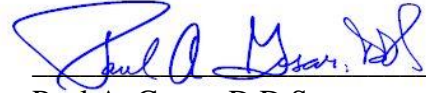
Ralph Norman
Ranking Member
Subcommittee on Environment



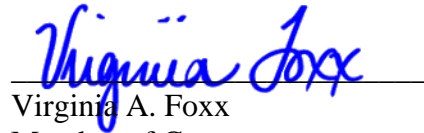
Nancy Mace
Ranking Member
Subcommittee on Civil Rights and
Civil Liberties



Jim Jordan
Member of Congress



Paul A. Gosar, D.D.S.
Member of Congress



Virginia A. Foxx
Member of Congress



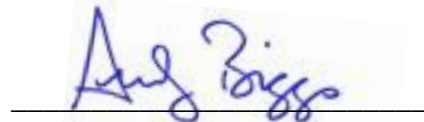
Bob Gibbs
Member of Congress



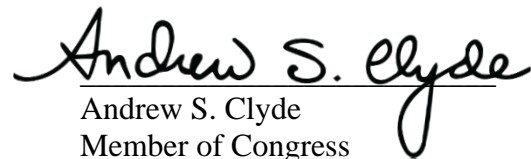
Pete Sessions
Member of Congress



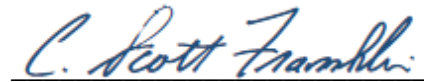
Fred Keller
Member of Congress



Andy Biggs
Member of Congress



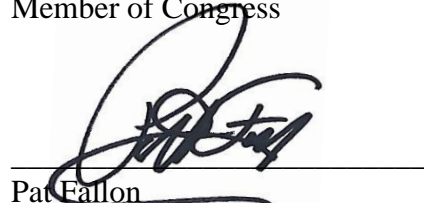
Andrew S. Clyde
Member of Congress



Scott Franklin
Member of Congress




Jake LaTurner
Member of Congress



Pat Fallon
Member of Congress



Yvette Herrell
Member of Congress



Byron Donalds
Member of Congress

Hon. Carolyn Maloney

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The Honorable Gerald E. Connolly, Chairman
Subcommittee on Government Operations

The Honorable Stephen F. Lynch, Chairman
Subcommittee on National Security

The Honorable Raja Krishnamoorthi, Chairman
Subcommittee on Economic and Consumer Policy

The Honorable Ro Khanna, Chairman
Subcommittee on Environment

The Honorable Jamie Raskin, Chairman
Subcommittee on Civil Rights and Civil Liberties